

Indiana Estimated Quarterly Utility Receipts Tax

Instructions for Quarterly Estimated Tax

This packet contains the Quarterly Utility Receipts Tax Returns, Form URT-Q, for the State of Indiana. Taxpayers with estimated Indiana utility receipts tax liability of more than \$1,000 for the taxable year are required to file a quarterly return with payment.

The utility receipts tax rate is one and four-tenths percent (1.4%), effective January 1, 2003. Use this form for remitting the required estimated quarterly tax payments for the current calendar year ending in December 2003, or fiscal year beginning in 2003 and ending in 2004.

The annual Utility Receipts Tax Return, Form URT, is available as a separate return with instructions.

Form URT-Q is to be by entities required to file quarterly utility receipts tax returns unless it is remitting via electronic funds transfer (EFT). The URT-Q return must be filed on or before the specified due date for each quarter.

The rules for estimating corporate adjusted gross income tax quarterly payments and penalties also apply to utility receipts.

See tax computation example. Refer to Commissioner's Directive # 18 for more information. Annual reporting forms and instructions are available at www.in.gov/dor/.

Do not use Form URT-Q to remit any another payments.

Consolidated Filings

When a corporation files its annual return on a consolidated or group basis, Form URT-Q must be filed under the reporting company's name and federal identification number. Only one Form URT with payment will be accepted for each quarterly filing; therefore, the total tax due from all companies should be included. If quarterly payments have not been filed on a consolidated basis by the members of the affiliated group, the burden will be on the taxpayer to verify the proper credit taken on the annual return for all quarterly payments made.

Penalty and Interest

If a taxpayer fails to make estimated quarterly tax payments by the due date, a ten percent (10%) penalty, plus interest may be assessed by the Department based on the amount paid late.

An underpayment penalty of ten percent (10%) is assessed by the Department on those taxpayers failing to make quarterly payments as required under I C 6-2.3-6-1. To avoid the penalty, the quarterly estimate must equal or exceed twenty percent (20%) of the final utility receipts tax for the taxable year. Penalty as to any underpayment of tax on the estimated return shall be assessed only on the difference between the amount paid by the taxpayer per quarter and twenty-five percent (25%) of the taxpayer's final utility receipts tax liability for the current taxable year. Refer to Schedule URT-2220 and its instructions for further information concerning the underpayment penalty. **Note:** This penalty will be addressed when the annual utility receipts tax return is filed.

Instructions for Completing Form URT-Q

Use the designated preprinted estimated quarterly payment form that corresponds to your calendar or fiscal year reporting period.

Compute the estimated tax or the exact amount of utility receipts tax for the quarter. You may reduce the estimated quarterly payment by the amount of your overpayment of tax from a prior year which was applied to your estimated account. Enter net amount on the appropriate remittance form.

An authorized officer must sign and date each remittance form. Use the window envelope to mail payment by your quarterly return due date. Make sure the return address shows through the window.

Example for computation of quarterly utility receipts tax

Enter 25% of the annual estimated tax due from all taxable utility receipts or the exact amount of utility receipts subject to tax for the quarter:	\$500,000.00
Annual \$1,000 taxpayer deduction:	(250.00)
Depreciation on resource recovery systems:	(25,000.00)
Other allowable deductions:	<u>(50,000.00)</u>
Taxable utility receipts for the quarter:	\$424,750.00
Multiply by the utility receipts tax rate of 1.4%:	<u>X 0.014</u>
Total estimated utility receipts tax due for the quarter:	\$5,946.50

Caution: Quarterly estimated tax liability - minimum payment must equal or exceed twenty percent (20%) of the final tax liability for purposes of meeting an exception to the penalty for the underpayment of estimated utility receipts tax.

Instructions for Completing Form URT-Q Extension Payment

Do not submit this form if no payment is due.

The extension return, Form URT-Q, is to be used when a payment is due and additional time is necessary for filing the utility receipts tax return. A penalty for late payment will not be imposed if at least 90% of the tax due is paid by the original due date and the remaining balance, plus interest, is paid in full by the extended due date.

The Department recognizes the Internal Revenue Service's application for automatic extension of time to file (Form 7004); therefore, it is not necessary to request a separate Indiana extension. If an extension payment for Indiana is not due, a copy of the federal extension need not be submitted separately, but should be attached to the annual income tax return when filed. Returns received within thirty (30) days after the last date indicated on an attached federal extension will be considered timely filed. In the event a federal extension is not needed, a corporation may request in writing an Indiana extension of time to file.

If you have any questions concerning Indiana's Utility Receipts Tax, please call (317) 615-2662.